

**FORMER DAVIDSON COUNTY  
PENSION PLAN**

**VALUATION AND REPORT  
AS OF  
JUNE 30, 2015**

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## A. SUMMARY OF REPORT

An actuarial valuation of the former Davidson County Pension System was performed as of June 30, 2015. The purpose of the valuation was to examine the liabilities and cost implications of the system, which prior to June 30, 2005 was being funded on a pay-as-you-go basis. The plan is now being actuarially funded through the Guaranteed Payment Plan.

The former Davidson County Pension System is a small system at this time, because most of the members transferred to the Metro plan which superseded the County System on April 1, 1963. The Metro plan was patterned after Division A of the County plan. Most of the remaining active employees of the County plan transferred to Division B of the Metro plan in 1995. Currently, there are no active employees in the County System. There were 82 retirees and survivors in the County System as of June 30, 2015.

The present value of future benefits under the County system was \$8,293,394 as of the valuation date. All of this amount would be classified as "past service liability" if the entry age normal method (the method used for the valuation of the Metro plan) were applied to the County system. The amount listed includes the effect of the cost-of-living adjustment effective July 1, 2014.

Since the plan is a closed system with no active employees, funding had traditionally been conducted on a pay-as-you-go basis without following a fixed amortization schedule. However, commencing with the plan year beginning July 1, 2004, some prefunding of the plan has been undertaken through the Guaranteed Payment Plan. The Guaranteed Payment Plan is an umbrella plan created by the Metro Council to ensure actuarially sound funding for a group of five closed plans supervised by the Metro Employee Benefit Board and the Board of Education.

The table below shows the unfunded liabilities of the plan as of June 30, 2015.

Present Value of Benefits	\$8,293,394
Accumulated Assets	(0)
Unfunded Liability as of June 30, 2015	<u>\$8,293,394</u>

The following table shows the results of applying the usual "normal cost plus amortization of unfunded past service liabilities" approach to the funding of the closed system.

	<u>Annual Contribution</u>
40-Year Amortization	\$635,529
30-Year Amortization	677,717
20-Year Amortization	785,143

Under the GPP, unfunded liabilities of the aggregate plan are amortized over a period of no more than thirty years, commencing July 1, 2000. Payments for the County System move to a payment account from which distributions are paid to the constituent plans of the GPP as necessary to satisfy current benefit need and to satisfy funding objectives of the GPP. During the 2014-2015 year, payments of \$3,501,843 were paid into the GPP on behalf of the plan. \$1,473,442 was transferred from the GPP account to the plan during this period for the payment of benefits. Funding issues that are specific to the GPP are addressed in a separate report. The following is a summary of GPP transfers for the County Pension Plan.

GPP Appropriation for the Plan	\$3,501,843
Transfer for Benefit Payments	\$1,473,442
Transfer to the other GPP Plans	\$2,028,401
Transfer to the Open Plan Separate Account for Future Payments	\$0

Table III-4 of the Appendix illustrates the annual payout which could be expected from the entire County System during the next twenty calendar years. The annualized payout as of the beginning of the 2015-2016 fiscal year is approximately \$1,364,989.

The actuarial valuation underlying this report has been made utilizing employee data furnished by Metro and the actuarial assumptions summarized in Table VII of the Appendix. Quantities called for by Statement 25 of the Governmental Accounting Standards Board are set out in Table VI of the Appendix. Since the system was funded on a pay-as-you-go basis prior to June 30, 2005, no assets are shown for those dates.

## **B. SUMMARY OF PLAN PROVISIONS**

### **DAVIDSON COUNTY PENSION PLANS**

#### Introduction

The amendments to the Davidson County Pension System which were effective July 1, 1961, created two classifications of membership: Division A and Division B.

Division B of the Plan was essentially identical to the Plan and all amendments in effect immediately prior to July 1, 1961. Division A of the Plan contained a different program of benefits integrated with Social Security.

As of July 1, 1961, all members of the prior plan became members of Division B. Each such member could then elect (on or before September 15, 1961) to transfer into Division A; if he did not do so, he remained a member of Division B. Similarly, individuals employed prior to July 1, 1961 who for any reason had not become members of the prior plan were allowed to elect (on or before September 15, 1961) to become members of Division A. All full time employees hired on or after July 1, 1961 and prior to April 1, 1963 (when the County System was superseded by the Metro Plan) were enrolled as members of Division A.

All employees of the former Davidson County who were employed prior to April 1, 1963, who elected not to transfer to the Metropolitan Government Employee Benefit System on that date or on a later open enrollment date, and who also elected not to transfer to Division B of the Metro plan in 1995, are participants in the former Davidson County Pension System.

#### Division A

All benefits are in addition to Social Security benefits, except disability benefits which are reduced by Social Security benefits as described in Item 4.

##### 1. Normal Retirement

At or after age 65, the monthly benefit is determined as the product of (a) and (b) as follows:

- (a) Credited Service (including prior service)
- (b) .75% of Average Base Earnings per month plus 1.50% of Average Excess Earnings per month.

No service is credited after age 70. Base earnings for each year are earnings subject to Social Security tax. Excess earnings for each year are earnings not subject to Social Security tax.

"Average earnings" means the average of annual earnings for the ten full consecutive calendar years in which earnings were highest, or for such lesser number of full calendar years of service as have been completed.

2. Early Retirement

After age 55 and 20 years of service, the benefit at retirement can be either (a) or (b).

- (a) An accrued normal retirement benefit to commence on his otherwise normal retirement date.
- (b) An immediate benefit to commence on his early retirement date, computed as (a), but reduced by 5/12% for each month that early retirement precedes normal retirement.

3. Delayed Retirement

With the approval of the Pension Commission, an employee may defer retirement (but not later than age 75), but no credit is given for service after 70.

4. Disability Retirement

Condition. Disability is defined as a condition which has persisted six months or more and is presumably permanent which renders the employee incapable of earning 25% of his income at date of disability.

(a) Not in Line of Duty

A disabled member gets life income computed as in item 1 above, but not less than \$50 per month, and also gets 6 months benefits in a lump sum upon disability retirement.

(b) In Line of Duty

No period of service is required and the disabled member gets life income computed as in item 1 above, but not less than 50% of total earnings less Primary Social Security benefits.

5. Death Before Retirement

- (a) On death before 20 years of service and age 55, the member's contributions are paid in a lump sum.

- (b) On death after 20 years of service and age 55, the beneficiary receives a life income, based on the presumed election by the member of early retirement under Option B the day before his death, but not less than a survivor would have received under the provisions of Division B (see below). If no beneficiary survives the member, or if the beneficiary so elects in lieu of the survivor income, the member's contributions are paid in a lump sum.

6. Death After Retirement

None, unless employee has elected an optional form of retirement benefit.

7. Options

Optional forms of retirement benefits are actuarially equivalent in value to the benefit payable if no option were elected. Options are:

- A. Joint & Survivor Option
- B. Joint & 50% Survivor Option
- C. Social Security Option for Early Retirement
- D. 120 Payments Certain and Life Option

8. Other Termination of Employment

Either (a) or (b):

- (a) a refund of employee's contributions without interest;
- (b) a paid-up deferred pension to start at age 65, computed at date of termination of employment as in item 1 above, with return of employee contributions on death before deferred pension begins.

9. Escalation Provision

Effective July 1, 2002, benefits under the provisions above are increased annually by the increase in the Consumer Price Index during the previous year.

10. Employee Contributions

Prior to January 1, 1987, employees contributed 3% of Earnings subject to Social Security tax, plus 6% of Earnings not subject to Social Security tax. Thereafter, employees no longer contribute toward the cost of the plan.

11. Employer Contributions

The Metropolitan Government provides such additional amounts as are necessary to provide benefits as they come due.



Division B

Social Security benefits are not available to members of Division B.

1. Normal Retirement

After completing 30 years of service, or after both attaining age 60 and completing 24 years of service, the amount of benefit upon retirement is 50% of the highest earnings in any calendar year.

2. Early Retirement

(a) After 15 years of service and attainment of age 60, the early retirement benefit is an immediate life income of 30% of the member's highest yearly earnings if he has 15 years of service, increasing 2% per year of service to 48% for 24 years or more of service.

(b) After 28 years of service, the benefit in the event of involuntary termination is an immediate life income of 50% of highest yearly earnings, as in item 1 above.

3. Disability in Line of Duty

In the event that disability occurs which is permanent and renders the employee incapable of performing the duties of his job, the benefit payable is the same as in item 1 above.

4. Disability Not in Line of Duty

In the event that disability occurs which is permanent and renders the employee incapable of being gainfully employed, the benefit is equal to 50% of his highest annual earnings.

5. Survivor Benefits

In the event of death of a member or retired member, the survivor receives a life income of \$675 per month, ceasing on remarriage. "Survivor" means widow (until remarriage), dependent child or dependent mother, in that order. Dependent children receive benefits for no more than 10 years.

6. Optional Forms of Pension

None

7. Other Termination of Employment

Since each participant now has over 15 years of service, a terminating participant can elect either the return of contributions or a deferred pension beginning at age 60 for the same amount as in item 1 above.

8. Escalation Provision

Effective July 1, 2002, benefits under the provisions above are increased annually by the increase in the Consumer Price Index during the previous year.

9. Employee Contributions

Prior to January 1, 1987, each employee contributed 5% of earnings, payable for 24 years, which could include years after retirement. The rate was 2-1/2% for females who elected not to be covered for survivor (death) benefits. Thereafter, employees no longer contribute toward the cost of the plan.

10. Employer Contributions

The Metropolitan Government provides such additional amounts as are necessary to provide benefits as they become due.

## C. APPENDIX

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**TABLE I-1**  
**DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS**  
**COUNTY WIDOWS**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	0	0	0	0	0	0
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	1	11,696	11,696	1	11,696	11,696
61-65	0	0	0	0	0	0	0	0	0
66-70	0	0	0	3	32,624	10,875	3	32,624	10,875
71-75	0	0	0	5	58,480	11,696	5	58,480	11,696
76-80	0	0	0	9	104,081	11,565	9	104,081	11,565
81-85	0	0	0	11	128,313	11,665	11	128,313	11,665
86-90	1	11,696	11,696	16	187,136	11,696	17	198,832	11,696
TOTAL	1	11,696	11,696	45	522,330	11,607	46	534,026	11,609

**TABLE I-2**  
**DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS**  
**COUNTY SERVICE RETIREMENTS**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	0	0	0	0	0	0
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	0	0	0	0	0	0
61-65	0	0	0	0	0	0	0	0	0
66-70	0	0	0	0	0	0	0	0	0
71-75	3	60,279	20,093	1	33,004	33,004	4	93,283	23,321
76-80	7	169,622	24,232	0	0	0	7	169,622	24,232
81-85	5	133,137	26,627	1	18,861	18,861	6	151,998	25,333
86-90	14	304,243	21,732	5	111,813	22,363	19	416,056	21,898
TOTAL	29	667,281	23,010	7	163,678	23,383	36	830,959	23,082

TABLE I-3

## DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS

## COUNTY DISABILITY RETIREMENTS

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	0	0	0	0	0	0
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	0	0	0	0	0	0
61-65	0	0	0	0	0	0	0	0	0
66-70	0	0	0	0	0	0	0	0	0
71-75	0	0	0	0	0	0	0	0	0
76-80	0	0	0	0	0	0	0	0	0
81-85	0	0	0	0	0	0	0	0	0
86-90	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

**TABLE I-4**  
**DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS**  
**COUNTY TOTALS - RETIRED LIVES**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	0	0	0	0	0	0
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	1	11,696	11,696	1	11,696	11,696
61-65	0	0	0	0	0	0	0	0	0
66-70	0	0	0	3	32,624	10,875	3	32,624	10,875
71-75	3	60,279	20,093	6	91,484	15,247	9	151,763	16,863
76-80	7	169,622	24,232	9	104,081	11,565	16	273,703	17,106
81-85	5	133,137	26,627	12	147,174	12,265	17	280,311	16,489
86-90	15	315,939	21,063	21	298,949	14,236	36	614,888	17,080
<b>TOTAL</b>	<b>30</b>	<b>678,977</b>	<b>22,633</b>	<b>52</b>	<b>686,008</b>	<b>13,192</b>	<b>82</b>	<b>1,364,985</b>	<b>16,646</b>

**TABLE II-1**  
**DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT**  
**COUNTY WIDOWS**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
0	0	0	0	1	11,696	11,696	1	11,696	11,696
1	0	0	0	0	0	0	0	0	0
2	1	11,696	11,696	3	34,745	11,582	4	46,441	11,610
3	0	0	0	3	34,468	11,489	3	34,468	11,489
4	0	0	0	0	0	0	0	0	0
0-4	1	11,696	11,696	7	80,909	11,558	8	92,605	11,576
5-9	0	0	0	5	58,480	11,696	5	58,480	11,696
10-14	0	0	0	9	102,237	11,360	9	102,237	11,360
15-19	0	0	0	6	70,176	11,696	6	70,176	11,696
20-24	0	0	0	9	105,264	11,696	9	105,264	11,696
25-29	0	0	0	6	70,176	11,696	6	70,176	11,696
30-34	0	0	0	1	11,696	11,696	1	11,696	11,696
35-39	0	0	0	0	0	0	0	0	0
40-44	0	0	0	1	11,696	11,696	1	11,696	11,696
45-49	0	0	0	1	11,696	11,696	1	11,696	11,696
TOTAL	1	11,696	11,696	45	522,330	11,607	46	534,026	11,609



**TABLE II-2**  
**DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT**  
**COUNTY SERVICE RETIREMENTS**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
0	0	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0	0
2	0	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0	0
0-4	0	0	0	0	0	0	0	0	0
5-9	0	0	0	0	0	0	0	0	0
10-14	0	0	0	0	0	0	0	0	0
15-19	0	0	0	0	0	0	0	0	0
20-24	6	135,430	22,572	4	99,794	24,949	10	235,224	23,522
25-29	9	227,096	25,233	2	46,945	23,473	11	274,041	24,913
30-34	11	253,819	23,074	1	16,939	16,939	12	270,758	22,563
35-39	3	50,936	16,979	0	0	0	3	50,936	16,979
40-44	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0	0
TOTAL	29	667,281	23,010	7	163,678	23,383	36	830,959	23,082

**TABLE II-3**  
**DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT**  
**COUNTY DISABILITY RETIREMENTS**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
0	0	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0	0
2	0	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0	0
0-4	0	0	0	0	0	0	0	0	0
5-9	0	0	0	0	0	0	0	0	0
10-14	0	0	0	0	0	0	0	0	0
15-19	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

TABLE II-4

## DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT

## COUNTY TOTALS

Service Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
0	0	0	0	1	11,696	11,696	1	11,696	11,696
1	0	0	0	0	0	0	0	0	0
2	1	11,696	11,696	3	34,745	11,582	4	46,441	11,610
3	0	0	0	3	34,468	11,489	3	34,468	11,489
4	0	0	0	0	0	0	0	0	0
0-4	1	11,696	11,696	7	80,909	11,558	8	92,605	11,576
5-9	0	0	0	5	58,480	11,696	5	58,480	11,696
10-14	0	0	0	9	102,237	11,360	9	102,237	11,360
15-19	0	0	0	6	70,176	11,696	6	70,176	11,696
20-24	6	135,430	22,572	13	205,058	15,774	19	340,488	17,920
25-29	9	227,096	25,233	8	117,121	14,640	17	344,217	20,248
30-34	11	253,819	23,074	2	28,635	14,318	13	282,454	21,727
35-39	3	50,936	16,979	0	0	0	3	50,936	16,979
40-44	0	0	0	1	11,696	11,696	1	11,696	11,696
45-49	0	0	0	1	11,696	11,696	1	11,696	11,696
TOTAL	30	678,977	22,633	52	686,008	13,192	82	1,364,985	16,646

**TABLE III-1**  
**PROJECTION OF BENEFIT PAYOUT**  
**COUNTY WIDOWS**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	46	534,027	3,377,832	256,438	3,377,832
2016	0	0	0	467,663	3,028,957
2017	0	0	0	424,585	2,705,744
2018	0	0	0	383,815	2,407,788
2019	0	0	0	345,490	2,134,447
2020	0	0	0	309,692	1,884,867
2021	0	0	0	276,444	1,658,029
2022	0	0	0	245,722	1,452,798
2023	0	0	0	217,468	1,267,972
2024	0	0	0	191,608	1,102,305
2025	0	0	0	167,849	954,076
2026	0	0	0	146,576	823,125
2027	0	0	0	127,376	707,461
2028	0	0	0	110,163	605,857
2029	0	0	0	94,836	517,082
2030	0	0	0	81,232	439,796
2031	0	0	0	69,357	373,102
2032	0	0	0	58,964	315,583
2033	0	0	0	50,003	266,345
2034	0	0	0	42,160	223,976

**TABLE III-2**  
**PROJECTION OF BENEFIT PAYOUT**  
**COUNTY SERVICE RETIREMENTS**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	36	830,962	3,985,461	390,224	3,985,461
2016	0	0	0	675,215	3,390,801
2017	0	0	0	580,772	2,870,120
2018	0	0	0	496,845	2,417,063
2019	0	0	0	422,924	2,025,067
2020	0	0	0	358,281	1,687,618
2021	0	0	0	302,064	1,398,490
2022	0	0	0	253,407	1,151,911
2023	0	0	0	211,486	942,620
2024	0	0	0	175,513	765,856
2025	0	0	0	144,732	617,360
2026	0	0	0	118,478	493,386
2027	0	0	0	96,185	390,632
2028	0	0	0	77,359	306,177
2029	0	0	0	61,468	237,163
2030	0	0	0	48,408	181,888
2031	0	0	0	37,631	137,794
2032	0	0	0	28,906	103,190
2033	0	0	0	21,857	76,215
2034	0	0	0	16,253	55,495

**TABLE III-3**  
**PROJECTION OF BENEFIT PAYOUT**  
**COUNTY DISABILITY RETIREMENTS**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	0	0	0	0	0
2016	0	0	0	0	0
2017	0	0	0	0	0
2018	0	0	0	0	0
2019	0	0	0	0	0
2020	0	0	0	0	0
2021	0	0	0	0	0
2022	0	0	0	0	0
2023	0	0	0	0	0
2024	0	0	0	0	0
2025	0	0	0	0	0
2026	0	0	0	0	0
2027	0	0	0	0	0
2028	0	0	0	0	0
2029	0	0	0	0	0
2030	0	0	0	0	0
2031	0	0	0	0	0
2032	0	0	0	0	0
2033	0	0	0	0	0
2034	0	0	0	0	0

**TABLE III-4**  
**PROJECTION OF BENEFIT PAYOUT**  
**COUNTY TOTALS - RETIRED LIVES**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	82	1,364,989	7,363,293	646,662	7,363,293
2016	0	0	0	1,142,878	6,419,758
2017	0	0	0	1,005,357	5,575,864
2018	0	0	0	880,660	4,824,851
2019	0	0	0	768,414	4,159,514
2020	0	0	0	667,973	3,572,485
2021	0	0	0	578,508	3,056,519
2022	0	0	0	499,129	2,604,709
2023	0	0	0	428,954	2,210,592
2024	0	0	0	367,121	1,868,161
2025	0	0	0	312,581	1,571,436
2026	0	0	0	265,054	1,316,511
2027	0	0	0	223,561	1,098,093
2028	0	0	0	187,522	912,034
2029	0	0	0	156,304	754,245
2030	0	0	0	129,640	621,684
2031	0	0	0	106,988	510,896
2032	0	0	0	87,870	418,773
2033	0	0	0	71,860	342,560
2034	0	0	0	58,413	279,471

**TABLE IV**  
**DAVIDSON COUNTY PENSION PLAN**  
**DETAILED CALCULATION OF FUNDING LEVELS**

The contribution levels for the fiscal year beginning June 30, 2015 were derived as follows:

(1)	Present Value of Benefits	\$8,293,394
(2)	Past Service Liability	8,293,394
(3)	Allocated Assets	<u>(0)</u>
(4)	Unfunded Post Service Liability (2) – (3)	\$8,293,394
(5)	Present Value of Future Normal Costs (1) - (2)	\$ 0
(6)	Present Value of Future Salaries	0
(7)	Normal Cost Pct (5)/(6)	0
(8)	Eligible Payroll	0
(9)	Normal Cost (7) x (8)	0
(10)	Total Cost, Including Amortization of Unfunded Past Service Liability Over Specified Period (assuming payments made uniformly throughout plan year)	
	40 Years	\$635,529
	30 Years	677,717
	20 Years	785,143



**TABLE V**

**ROSTER OF FORMER PARTICIPANTS WITH DEFERRED VESTED BENEFITS**

There are no former participants.

## TABLE VI

### GOVERNMENTAL ACCOUNTING STANDARDS BOARD

#### STATEMENT NO. 25 INFORMATION

In 1994, the Governmental Accounting Standards Board revised the methodology to be used in presenting funding progress results to require reporting based upon the plan's unfunded past service liability (or "unfunded actuarial accrued liability"). The new GASB pronouncements relating to financial reporting standards are effective for fiscal years ending June 30, 1997. The statements provide that certain parameters are to be used in determining the unfunded liability position in each year, including a parameter for the measurement of plan assets. A schedule of funding progress based upon comparison to the unfunded past service liability is to be included in financial statements for the years in which the calculations are consistent with the parameters. The schedule presented herein is based upon valuation results for the current valuation period and the previous eight years. The schedule includes only years during which a valuation has been performed.

*Former Davidson County Pension Plan  
Schedule of Funding Progress  
June 30, 2015*

<b>Plan Year</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Unfunded Actuarial Accrued Liability</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>Unfunded Actuarial Accrued Liability as a Pct of Covered Payroll</b>
<b>June 30, 1996</b>	\$ 0	\$27,187,468	\$27,187,468	0.00%	\$106,553	25,515.4%
<b>June 30, 1998</b>	0	25,430,114	25,430,114	0.00%	0	na
<b>June 30, 2000</b>	0	21,487,993	21,487,993	0.00%	0	na
<b>June 30, 2002</b>	0	25,088,621	25,088,621	0.00%	0	na
<b>June 30, 2004</b>	0	18,159,599	18,159,599	0.00%	0	na
<b>June 30, 2005</b>	348,492	17,422,321	17,073,829	2.00%	0	na
<b>June 30, 2006</b>	711,665	16,971,095	16,259,430	4.19%	0	na
<b>June 30, 2007</b>	1,129,978	15,393,075	14,263,097	7.34%	0	na
<b>June 30, 2008</b>	1,455,077	14,299,429	12,844,352	10.18%	0	na
<b>June 30, 2009</b>	1,181,871	13,572,334	12,390,463	8.71%	0	na
<b>June 30, 2010</b>	1,320,421	12,644,049	11,323,628	10.44%	0	na
<b>June 30, 2011</b>	1,556,601	11,786,135	10,229,534	13.21%	0	na
<b>June 30, 2012</b>	0	11,177,639	11,177,639	0.00%	0	na
<b>June 30, 2013</b>	0	10,052,974	10,052,974	0.00%	0	na
<b>June 30, 2014</b>	0	9,244,613	9,244,613	0.00%	0	na
<b>June 30, 2015</b>	0	8,293,394	8,293,394	0.00%	0	na

## TABLE VII

### SUMMARY OF ACTUARIAL ASSUMPTIONS (Sample Values per 1,000 Lives)

		AGE			
		20	35	50	60
<u>Mortality Rates</u>					
Male:	110% RP-2000 Healthy Annuitant Table	.38	.85	5.88	9.01
Female:	110% RP-2000 Healthy Annuitant Table	.21	.52	2.57	6.82
<u>Withdrawal Rates</u>		N/A	N/A	N/A	N/A
<u>Salary Scale</u>		N/A	N/A	N/A	N/A
<u>Disability Rates</u>		N/A	N/A	N/A	N/A
<u>Rate of Death and Recovery Among Disabled Lives</u>					
Pension Benefit Guaranty Corporation					
Male:		36.20	20.90	28.70	45.20
Female:		26.30	21.40	25.70	33.10
<u>Social Security Benefit Projection Rate</u>		N/A	N/A	N/A	N/A
<u>Rate of Normal Retirement</u>					
Assume retirement as soon as eligible.					
<u>Rate of Investment Return</u>					
7.50% per annum					
<u>Cost-of-Living Adjustment</u>					
2.50% per annum					
<u>Spouse Frequency and Ages</u>					
Assume 85% married, with husbands four years older than wives					
<u>Actuarial Valuation Method</u>					
Entry Age Normal					
<u>Asset Valuation Method</u>					
Market Value					

## TABLE VIII

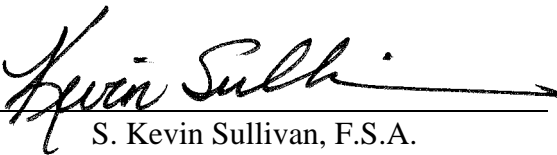
### ACTUARIAL CERTIFICATION

This report has been prepared under my supervision; I am a member of the American Academy of Actuaries, a Fellow of the Society of Actuaries, and a consulting actuary with Bryan, Pendleton, Swats and McAllister, LLC of Brentwood, Tennessee, and have met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein. To the best of our knowledge this report has been prepared in accordance with generally accepted actuarial standards, including the overall appropriateness of the analysis, assumptions, and results and conforms to appropriate Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis for the actuarial report. We are not aware of any direct or material indirect financial interest or relationship, including investment management or other services that could create, or appear to create, a conflict of interest that would impair the objectivity of our work.

May 11, 2016

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Date



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S. Kevin Sullivan, F.S.A.

Enrollment Number 14-6235